

LIMITED-SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a sole source award of a firm-fixed price task order to be issued under General Services Administration (GSA) Federal Supply Schedule (FSS) 65II A contract V797P-4081B to Draeger Medical, Inc. (Draeger).
3. Description of the Supplies or Services: VA, Veterans Health Administration (VHA), Health Informatics Office, Veterans Integrated Service Network (VISN) 17 requires the renewal of brand name Draeger hardware and software maintenance services for existing VA Innovian Anesthesia software and Anesthesia Record Keeping (ARK) system computer hardware. Innovian Anesthesia software is an ARK system with an Innovian-end Veterans Health Information Systems and Technology Architecture (VistA) interface that enables real time bi-directional exchanges of data in VistA both in batch and real time. VISN 17 uses Innovian Anesthesia software for electronic documentation in anesthesiology environments. The software provides end-users with important data, such as patient demographics, text integration, patient allergies, problem lists, care status and delivery, laboratory results, medication administration, and information regarding surgeries. ARK replaced paper anesthesia records used in VISN 17 Operating Rooms (OR) and other anesthetizing or moderate sedation locations to manage patient information in the OR, pre and post-procedural, and for critical information during OR procedures. The required hardware maintenance services shall consist of unlimited remote and on-site maintenance and technical support of the ARK system computer hardware. The required software maintenance services shall consist of all Original Equipment Manufacturer upgrades, patches, fixes, updates, and security resolutions developed by Draeger. In addition, telephone and online support shall be provided 24-hours per day, 7 days a week. These critical maintenance services will ensure the current software remains operational in anesthesiology environments. The total estimated price of the proposed action is **REDACTED**, inclusive of a 6-month base period and two, 6-month option periods.
4. Statutory Authority: This acquisition will be conducted under the authority of the Multiple-Award Schedules Program. The specific authority providing for a limited source award is Federal Acquisition Regulation (FAR) 8.405-6(a)(1)(i)(B), "Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited Above: The proposed source is Draeger, located at 3135 Quarry Road, Telford, Pennsylvania 18969. This action is for the procurement of a renewal of hardware and software maintenance services for existing VA Innovian Anesthesia software and ARK system computer hardware used in VA's anesthesiology environments. In order to ensure these anesthesiology

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environments are operating at optimum patient safety capabilities, it is critical that updated versions of the VA Innovian Anesthesia software and ARK system computer hardware are used to give end-users the correct information on patient allergies, problem lists, care status and delivery, laboratory results, medication administration, and information regarding surgeries. The existing Draeger hardware and software is used extensively in VISN 17 ORs and other anesthetizing or moderate sedation locations. Only hardware and software maintenance services provided by Draeger can meet the requirements as the existing hardware and software is proprietary to Draeger. Specifically, without access to Draeger's proprietary source code, no other source is able to provide the required unlimited remote and on-site maintenance of the ARK system and software upgrades, patches, fixes, updates, or security resolutions for the Innovian Anesthesia software. Without the required hardware and software maintenance services, patient safety would be at severe risk. Additionally, since the hardware and software is proprietary, no third party source exists that provides telephone and online support 24 hours per day, 7 days a week. Draeger does not have affiliation or agreements in place with any authorized resellers for the subject hardware and software maintenance services, therefore, Draeger is the only responsible source that can satisfy the Government's requirements.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. This effort did not yield any additional sources that can meet the Government's requirements. There is no competition anticipated for this acquisition. In accordance with FAR 5.301 and 8.405-6(a)(2), the award notice for this action will be synopsisized on the Federal Business Opportunities (FBO) website and this justification will be made publicly available within 14 days after order award.

7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the Government's technical experts will continue to perform market research to determine if there are emerging products available that will enable future requirements to be competed.

8. Market Research: Market research was conducted by VHA technical experts from May 2015 through June 2015 by searching the product websites of General Electric, Picis, iMDsoft, and Phillips Electronics. Based on reviews of these companies' products and services offered, the Government's technical experts determined that none of these sources can meet the Government's requirement for maintenance on the Draeger hardware and software without the aforementioned proprietary source code. Each software developer offers a proprietary system and associated services that will only operate with its respective hardware and software. The market research revealed that only Draeger would be capable of meeting VA's requirements. Only Draeger certified software is compatible and can be integrated into the proprietary Draeger Innovian Anesthesia software and ARK system computer hardware.

Additional market research was conducted in July 2015 to ascertain the ability of any other source other than Draeger that could provide the aforementioned hardware and software maintenance services. On July 16, 2015 a Request for Information (RFI) was

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posted on FBO to determine whether there were any authorized resellers that could provide the required unlimited remote and on-site maintenance of the ARK system computer hardware and software, and provide the required upgrades, patches, fixes, updates, or security resolutions for the Innovian Anesthesia software. On July 20, 2015 the RFI closed and Draeger was the only company to respond. Additionally, Draeger provided documentation stating that there are no vendors that can provide the hardware and software maintenance services for the ARK system computer hardware and Innovian Anesthesia software on behalf of Draeger as the software licenses and associated maintenance services are proprietary to Draeger and are not made available through any authorized resellers.

9. Other Facts: None.